

1 **Q. (Reference Application) Please provide a discussion of the consideration being**
2 **given to non-wires alternatives (NWAs) in each Canadian jurisdiction**
3 **addressing the current practices of Canadian integrated utilities, transmission**
4 **companies and major distributors. Further, please provide a discussion of the**
5 **consideration being given to NWAs in each Canadian jurisdiction addressing**
6 **the current practices of Canadian regulators.**

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8 A. Canadian practice associated with non-wires alternatives was considered by the Board
9 as part of Newfoundland Power's *2022 Capital Budget Application*.

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11 In Order No. P.U. 36 (2021) on the Company's *2022 Capital Budget Application*, the
12 Board stated:

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14 *The Board notes that the implementation of NWA solutions in Canada*
15 *appears to be in early stages with a number of pilot and demonstration*
16 *projects as well as regulatory initiatives currently underway to explore the*
17 *impact and customer benefits of these emerging solutions. The Elenchus*
18 *Report acknowledged that to date, customer adoption of non-grid*
19 *solutions in Canada has been minimal. Elenchus confirmed in the report*
20 *that it was not aware of any examples from other Canadian jurisdictions*
21 *where regulators have determined that the prudent economic life for a*
22 *capital asset can be shorter than its physical, or potential service, life. The*
23 *Elenchus Report acknowledged that, to date, utilities in other Canadian*
24 *jurisdictions have not, as a matter of course, sought regulatory approval*
25 *for DER projects with lower capital costs and shorter lives than traditional*
26 *capital assets.*

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28 NWA activity in Canada continues to be largely in the form of pilot projects. For
29 example, Ontario, British Columbia, Quebec and the Yukon have active NWA initiatives,
30 however the majority of projects are in the pilot phase.¹

¹ See Efficiency Canada's *2022 Canadian Energy Efficiency Scorecard: Provinces and Territories*, page 144, Table 44 for examples.